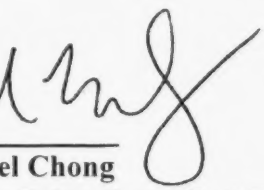
Office of the Commissioner of Official Languages

Performance Report
for the period ending March 31, 2006



The Honourable Michael Chong
President of the Queen's Privy Council of Canada

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SECTION I – OVERVIEW

Commissioner's Message

I am pleased to present to Parliament the *Performance Report for the period ending March 31, 2006* for the Office of the Commissioner of Official Languages.

As an officer of Parliament and Commissioner of Official Languages, it is my duty to take all necessary measures to ensure full recognition of the equal status of both official languages and compliance with the spirit and the letter of the *Official Languages Act* (the Act). It is also my duty to work toward ensuring compliance with the legislative intent of the Act with respect to the way that federal institutions and other organizations subject to the Act administer their affairs. I also have a responsibility to work towards the advancement of English and French in Canadian society.

Fiscal year 2005-2006 was the last full year in my mandate and featured what I regard as a historic step in the pursuit of equality for English and French in Canada, namely the proclamation of the *Act to Amend the Official Languages Act (promotion of English and French)*, effective November 2005. The amendment eliminated the long-standing ambiguity with respect to the responsibilities of the federal government under Part VII of the Act. The development of official language communities and the promotion of linguistic duality have long been the weak link in the Act. From here on, all federal institutions and other organizations subject to the Act will have to take positive measures in order to meet those objectives. As a result of this change, OCOL undertook a number of activities to ensure that the amendments are quickly implemented in federal institutions and other organizations, including developing in its staff a solid understanding of the legal implications of the amendment, defining its own expectations and developing a global implementation strategy with regards to the implementation of the modified Act . The legislative amendment is one of the successes my successor will be able to build on.

In my last Annual Report, I assessed the performance of government institutions via the Performance Report Card. This assessment guides our strategic reflections by identifying instances where further actions are required from OCOL to induce positive change. In addition, I looked at the transformation that will need to occur if Canada is to maintain its course towards the equality of both linguistic communities. My Annual Report revealed that significant improvements are necessary in several institutions and other organizations subject to the Act and in many areas of service to the public.

During this past year, my staff and I have focussed our efforts on striving towards clear, demonstrable results by the institutions subject to the Act and, increasingly, in our own efforts. The four strategic priorities pursued by OCOL during 2005-2006 were:

- The equality of English and French within the institutions subject to the Act;
- The vitality of official language minority communities in Canada;
- The equality of English and French as a fundamental value of our increasingly diverse Canadian society; and

- The development of an exemplary workplace and efficient, effective management.

Increasingly, OCOL is highlighting the pivotal role of the federal government in creating and supporting a respectful, bilingual workplace, as well as the importance of linguistic duality to the Canadian identity. It is my strong belief that linguistic duality is achieved by having English and French-speaking Canadians live and work side by side, while embracing each other's culture and values.

In this seventh and final year of my mandate, I am proud that my organization's achievements have contributed to the advancement of both official languages in Canada. In collaboration with OCOL's stakeholders, I would like to express my appreciation to staff and others who work tirelessly to advance Canada's linguistic duality. Their dedication and commitment to quality continues a long tradition of service to Canadians.

I invite you to read this report, which sets out our achievements.

Dyane Adam

Management Representation Statement

I submit for tabling in Parliament the *Performance Report for the period ending March 31, 2006* for the Office of the Commissioner of Official Languages.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2005-2006 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the TBS guidance;
- It is based on the Office of the Commissioner of Official Languages approved Program Activity Architecture structure as reflected in its Management, Resources and Results Structure;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada in the DPR.

Toby Fyfe
Assistant Commissioner
Corporate Services Branch

Summary Information

Reason for Existence – As an officer of Parliament and agent of change, the Commissioner has a mandate to promote the *Official Languages Act* and oversee its full implementation, protect the language rights of Canadians and promote linguistic duality and bilingualism in Canada.

The Commissioner works at ensuring that the three key objectives of the Act are achieved and takes all necessary measures in that regard. More specifically, the objectives of the Act are to ensure:

- The equality of English and French in Parliament, within the Government of Canada, the federal administration and institutions subject to the Act;
- The development and vitality of official language minority communities in Canada; and
- The equal status of English and French in Canadian society.

These three objectives are reflected in the first three of our four strategic priorities.

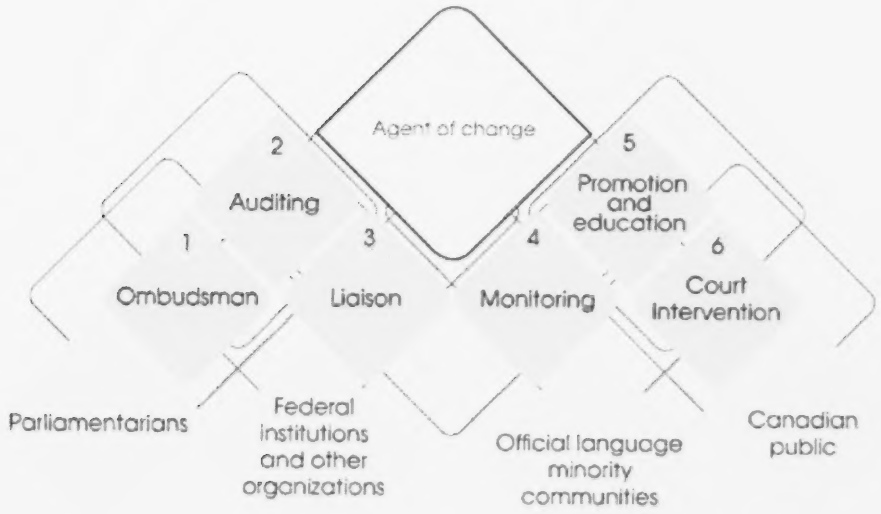
In pursuing these three objectives and the corresponding priorities, the Commissioner plays the following six roles:

1. **Ombudsman role** – The Commissioner receives and reviews complaints and, if required, investigates and makes necessary recommendations. In this role, she also conducts investigations on her own initiative, as she deems advisable.
2. **Auditing role** – The Commissioner plays a proactive role by conducting audits to measure compliance of federal institutions and other organizations subject to the Act and proposes recommendations relating to the existing management framework within organizations.
3. **Liaison role** – With support from the regional offices and liaison officers, the Commissioner works with federal institutions and other organizations, various levels of government and official language minority communities throughout the country. Through that interchange, she gains a better understanding of the needs and concerns of linguistic communities, makes relevant recommendations and intervenes judiciously in major official language issues.
4. **Monitoring role** – The Commissioner acts preventively by intervening at the stage where laws, regulations and policies are developed so as to ensure that language rights remain a primary concern of leaders.
5. **Promotion and education role** – The Commissioner heightens Canadians' awareness of the benefits of linguistic duality, works together with community organizations, takes appropriate action to have organizations subject to the Act give official languages and linguistic communities the attention they deserve, and contributes toward the development and enhancement of the vitality of official language minority communities. This role consists of conducting research, studies and public awareness activities. She delivers speeches and participates in conferences and workshops to inform all Canadians of the status and importance of the official languages.

6. **Court intervention role** – The Commissioner aids in advancing Canadians' language rights by seeking leave to intervene, when appropriate, in adjudicative proceedings relating to the status or use of English or French and to ensure that linguistic rights are respected.

The chart below illustrates the interaction between the Commissioner's six roles as an agent of change with her four main groups of stakeholders: Parliamentarians, federal institutions and other organizations subject to the Act, official language minority communities and the Canadian public.

Commissioner's roles as an agent of change



OCOL supports the Commissioner in her duties as an officer of Parliament. More specifically, OCOL:

- Works at ensuring that federal institutions and other organizations subject to the Act administer their affairs according to the spirit and the letter of the Act by reviewing their priorities in matters of official languages, measuring their results and working with them to achieve those results;
- Receives and investigates complaints;
- Conducts audits, evaluations, studies, research and analysis to gain a better understanding of changes in the status and use of English and French in Canada;
- Responds to requests for information and other communications from the public;
- Monitors the advancement of English and French within the federal administration and Canadian society;
- Contributes to the development and vitality of official language minority communities.

Total Financial Resources (in thousands of dollars)

Planned Spending	Total Authorities	Actual Spending
18,391.0	18,506.0	17,802.4

Total Human Resources (Full-Time Equivalents [FTEs])

Planned	Actual	Difference
164.0	149.5	14.5

Operating environment

The overall planning framework for OCOL reflects the Commissioner's independence from the government. As an officer of Parliament, the Commissioner can exercise her ombudsman and auditing roles to urge the compliance of organizations subject to the Act. The Commissioner increasingly acts as an agent of change, attempting to influence other federal organizations, as well as other levels of government, to take actions that respect and advance the requirements of the Act.

The purpose of the Act – equal status for the two official languages and equality of rights and privileges regarding their use within federal institutions, as well as the recognition and vitality of linguistic duality in Canada – can be achieved only through actions undertaken and carried through by federal institutions and other organizations subject to the Act. This is why OCOL is constantly seeking effective, innovative methods to encourage decision makers to achieve these results on behalf of Canadians.

OCOL works closely with these organizations so that they gain a better understanding of the importance of linguistic duality. By encouraging federal institutions and other organizations subject to the Act to serve Canadians in the official language of their choice, OCOL assists in changing the government's organizational culture and improving the quality of service.

Internal and external factors

OCOL's primary resources as an agent of change are its staff (at headquarters and in the regions), its four main groups of stakeholders (parliamentarians, federal institutions and other organizations subject to the Act, official language minority communities and the Canadian public), and the relationships established in its day-to-day activities. Resources are devoted to ensuring that OCOL staff members are appropriately equipped to carry out the organization's mandate while serving the Canadian public.

OCOL relies on the actions of its many stakeholders. In this respect, OCOL's approach must be flexible, without losing its focus, in order to take into account, and act upon, shifts in the political, social and economic environment.

Like other federal institutions, OCOL espouses modern management principles and practices and is taking measures to become a learning organization. These principles and practices are reflected in its fourth priority area. More specifically, OCOL's management practices incorporate the main elements of the Treasury Board Secretariat's Management Accountability Framework:

- Thinking about citizens first;
- Applying a rigorous policy analysis;
- Considering key risks;
- Having the right work force;
- Ensuring that public resources are managed with probity; and
- Assigning clear accountabilities, with due regard to capability.

SECTION II – ANALYSIS OF PERFORMANCE BY STRATEGIC OUTCOME

Strategic Outcome

Compliance with and respect for the *Official Languages Act* by the federal institutions and other organizations subject to the Act.

Achieving the organization's single Strategic Outcome extends beyond the reporting period of this report.

Program Activity: Investigations

Financial Resources (in thousands of dollars)

Planned Spending	Authorities	Actual Spending
8,433.0	8,477.9	8,173.6

Human Resources (FTEs)

Planned	Actual	Difference
79.0	76.0	3.0

Investigations brings to the attention of federal institutions and other organizations subject to the Act the need to develop sustainable solutions to issues relating to the implementation of the *Official Languages Act*. By investigating complaints, conducting audits and performance measurements and maintaining a working relationship with these institutions, OCOL reinforces and monitors compliance with the Act.

The Investigations activity includes the following three sub-activities:

1. Complaints, Investigations
   Receive complaints, undertake investigations on compliance to the *Official Languages Act* and make recommendations aimed at ensuring its respect by improving its acceptance and its implementation.

2. Audits
   Determine the extent to which the *Official Languages Act* is implemented in federal institutions and in other organizations that are subject to it, analyze their linguistic performance, carry out periodic monitoring, perform external audits and make recommendations to find solutions to systemic problems.

3. Legal Affairs
   Provide legal advice and legal analyses to support investigations. Represent the Commissioner in court proceedings commenced under Part X of the Act when such intervention is appropriate to ensure that institutions fully respect the *Official Languages Act*.

Program Activity: Policy and Communications

Financial Resources (in thousands of dollars)

Planned Spending	Authorities	Actual Spending
9,958.0	10,028.1	9,628.8

Human Resources (FTEs)

Planned	Actual	Difference
85.0	73.5	11.5

Policy and Communications undertakes research and analysis to identify opportunities and implement strategies for influencing change among its stakeholders. It supports the work of parliamentary committees. It informs members of the public of the provisions and scope of the Act and on the role of the Commissioner.

Policy and Communications includes the following three sub-activities:

1. Policy, Research
   Conduct research and studies and undertake detailed analysis on policies with linguistic aspects. Explore the evolution and impact of socio-economic factors, such as Canadian demographics and current events, in order to provide strategic advice to the Commissioner and to inform the policy-making process. Act as a liaison with central agencies and national organizations, and with regional associations and communities of interest concerned with official language issues.

2. Communications
   Provide strategic communications advice to the Commissioner and undertake communications and outreach activities aimed at the public, parliamentarians, other stakeholders, and the media. Receive and manage information requests and provide information to the public on a wide variety of topics related to official languages using print and electronic means, as well as media relations.

3. Parliamentary Relations
   Provide ongoing support to the Commissioner, as an officer of Parliament, in her dealings with parliamentarians and parliamentary committees. Examine relevant bills in order to ensure that they reflect linguistic duality, and intervene if the need arises.

Overall Performance

First Strategic Priority: Federal institutions and other organizations subject to the Official Languages Act respect the equal status of English and French.

OCOL uses various approaches to ensure and enhance compliance with the *Official Languages Act* (the Act): audits; investigations; monitoring and measuring performance of institutions through the Performance Report Card. OCOL also uses other means, including working with parliamentarians to seek modifications in legislation, collaborating with departments and agencies to encourage them to make changes in policies, programs, practices and organizational culture, and working with other organizations subject to the Act, including Air Canada and airport authorities, to mention a few.

Audits

This year, the Office of the Commissioner published three audits:

- *Audit of the Management of the Official Languages Program at Public Works and Government Services Canada* (September 2005)
- *Audit of Services to the Public at Highway Border Crossings of the Canada Border Services Agency* (November 2005)
- *Audit of the Language of Work at National Defence Headquarters* (February 2006)

The audit of Public Works and Government Services Canada (PWGSC) dealt mainly with the management of the Official Languages Program, including senior management's leadership, accountability and commitment to linguistic duality within the Department. OCOL found a lack of leadership from senior management in the Official Languages Program. The Department applies Treasury Board's official languages policies, but it does not have a departmental policy to reflect senior management's commitment to official languages. Although senior PWGSC management demonstrated general knowledge of the requirements of the *Official Languages Act*, the audit noted a lack of awareness of the promotion of and respect for linguistic duality. The Commissioner made 12 recommendations to PWGSC with a view to improving the management of its official languages program.

The audit of services to the public at border crossings operated by the Canada Border Services Agency (CBSA) assessed whether the Agency offers satisfactory customs services to clients in the official language of their choice at bilingual border crossings. The audit, which did not include activities related to immigration and food inspection, examined managers' commitment to providing services in both official languages. The audit also analysed existing systems and procedures that deal with the promotion and supervision of the provision of services in both official languages and evaluated the services provided at 17 border crossings designated bilingual. The audit took into account the fact that every year OCOL receives complaints from clients who have difficulty obtaining satisfactory service in the language of their choice. Although the total number of complaints has decreased, their recurrence suggested that a detailed study could lead to recommendations that would help improve service delivery at border

crossings. The Commissioner made 12 recommendations with a view to helping the CBSA improve delivery of the full range of services that it is required to offer in both official languages at designated bilingual border crossings, in accordance with Part IV of the Act and the Regulations.

The OCOL audit at the headquarters of the Department of National Defence (DND) and the Canadian Forces (CF) used a combination of an electronic survey of some 3,450 employees, a review of documentation and interviews of civilian and military personnel. The purpose of the audit was to determine whether DND and the CF have succeeded in creating a work environment conducive to the use of English and French at headquarters and in enabling their employees to use the official language of their choice, for example when taking part in meetings, receiving instructions, drafting documents and using work tools. The findings included the following: while senior management is demonstrating some leadership and commitment to the creation of a bilingual work environment, there is a significant gap between the formal message, action plans and objectives and the actions taken by employees in the various sections with regard to language of work; official languages are not integrated into the organizational culture; and major weaknesses were noted regarding the bilingual capability of a number of managers. The Commissioner made 12 recommendations to DND and the Canadian Forces for improving language of work at Headquarters. To address these recommendations, an action plan was developed by these institutions.

OCOL also launched a follow-up audit of Canada Post Corporation Services to the Public at Bilingual Postal Outlets. The results of this follow-up will be released in 2006-2007.

Performance Measurement

OCOL published its second annual Performance Report Card (PRC) as part of its performance evaluation function. The PRC responds to a recommendation by the Senate Standing Committee on Official Languages about the need to enhance the understanding of successes and weaknesses in implementing the Act. The PRC focuses on informing the public and parliamentarians about the relative performance of a number of federal institutions subject to the Act and provides senior management with information on the performance of their institutions regarding official languages and helps them decide on appropriate action to improve in this area. It also allows for a quick comparison of similar institutions. Feedback on the initial PRC has confirmed that it meets a need to clarify the institutions' responsibilities stated in the Act. It is also being used to identify areas for future audits or studies by OCOL, as part of the organizations overall compliance activity.

In 2005-2006, the PRC assessed 31 federal institutions subject to the Act and identified comparative successes and areas where improvements are needed. The analysis showed improvements among nine of the institutions and a decline among three of the institutions. The overall performance of the institutions was better for the equitable participation objective but required more effort for program management, service to the public and language of work. More details of the Performance Report Card are included in the Commissioner's Annual Report released in May 2006.

Many success stories were identified in the Annual Report to highlight leadership, special efforts and innovative measures in official languages undertaken by federal councils, federal institutions and other sectors of Canadian society.

Ombudsman

As linguistic ombudsman, the Commissioner receives complaints from the public concerning the respect, compliance and implementation of the Act. In seeking to resolve complaints deemed founded following investigation, OCOL looks for solutions that produce lasting change. To do this, OCOL's investigators work closely with federal institutions and other organizations during the investigation process to actively engage managers and decision-makers in finding lasting solutions.

In order to continuously improve service to clients, OCOL explores and experiments with different approaches to investigations and resolution, pursuing methods of intervention that are most effective and efficient in meeting its mandate. In 2005-2006, OCOL fully-implemented its new "rapid resolution of complaints" process, which identifies complaints that can be processed and achieve results within an average of 30 days. Generally, complaints handled using the rapid resolution process involved "service to the public" (Part IV of the Act) or "language of work" (Part V).

During this reporting period, OCOL received a total of 939 complaints, a decrease of 19% from the previous year. Of that amount, 74% complaints were admissible, about the same percentage as in previous years. The present level of complaints continues the general trend of the last four years. During the period, Air Canada continued to attract the most complaints, followed by Canada Post, Public Works and Government Services Canada, the Canada Revenue Agency, and the Department of National Defence. Additional details can be found in the Commissioner's Annual Report 2005-2006.

Each completed investigation not only highlights a problem but also influences changes in attitude or behaviour on the part of the organization involved in the complaint. Two examples are summarized below:

- *Weather warnings:* OCOL investigated a complaint about Environment Canada's meteorological services Web site, which published weather warnings that were often more detailed in English than in French. In response to the investigation, Environment Canada now publishes simultaneously the information in both official languages in the same degree of detail.

- *Safety instructions on ferry boats:* OCOL received a complaint regarding the unilingual English presentation of safety instructions and unilingual English signs showing the location of emergency exits aboard the Halifax-Dartmouth ferry. Following OCOL's investigation, Transport Canada arranged to have presentations in both official languages and ensured that English and French signs on safety measures were installed side by side.

Promotion and Education

OCOL also published one new study and two follow-up studies during 2005-2006:

- *Making it Real: Promoting Respectful Co-existence of the Two Official Languages at Work* (April 2005)
- *Bridging the Digital Divide: Official Languages on the Internet* (September 2005)
- *For Rent: In Search of Bilingual Services from Businesses in NCR Federal Building – Follow-up* (February 2006)

The study *Making it Real: Promoting Respectful Co-existence of the Two Official Languages at Work* was the second in a series on the use of the two official languages in bilingual work environments. Its purpose was to obtain greater insight into the factors that directly affect the use of the two official languages in the workplace and the nature of the challenges faced by Anglophones and Francophones with careers in the federal government; and to identify the essential components of a workplace that respects the language rights of its employees in order to foster the harmonious co-existence of both official languages on a daily basis. The study revealed that despite progress, the equality of both official languages has yet to be fully attained and remains a work in progress. While a large percentage of public servants have a good working knowledge of their second official language, lack of awareness, self-consciousness or the surrounding environment prevent them from practising their second language sufficiently.

The OCOL study on *Bridging the Digital Divide: Official Languages on the Internet* was, in effect, a follow-up to two 2002 studies on the presence of French on the Internet and on official language issues on government electronic sites. While there had been progress since 2002, OCOL felt that some challenges continued to exist and that a study was appropriate to evaluate the effectiveness of the measures taken by the government to respond to the recommendations of the original studies. It concluded that a number of areas still require attention, including: the need to monitor the quality of English and French on government Internet sites; the need for investment in the digitization of French content; the need for research and development on the design of technolinguistic tools, so that Canadians can fully profit from resources found on the Web; and the need for on-going efforts to ensure that foreign embassies in Ottawa provide bilingual web sites. The study found that the government has undertaken a number of initiatives to bridge the digital gap between English- and French-language content. Canadian Heritage, in particular, has established language criteria for the creation of cultural Web sites subsidized by the Department. In addition, the Department now offers an impressive bilingual cultural site entitled Culture.ca. A major grant from Industry Canada was used to establish the Language Technologies Research Centre, which will conduct research for the creation of technolinguistic tools to be available on the Internet.

The follow-up study *For Rent: In Search of Bilingual Services from Businesses in NCR Federal Buildings – Follow-up* was done one year after an initial study on the results of commercial leases in federal buildings in the National Capital Region was published (March 2004). The objective of the follow-up study was to determine the extent to which the National Capital Commission

(NCC), Public Works and Government Services Canada (PWGSC) and Canadian Heritage had implemented the recommendations in the earlier study, and to measure the progress that commercial tenants of buildings owned by the NCC and PWGSC had made in providing services in both official languages. An analysis of the results showed that the availability of services has improved among tenants of the NCC but that it has deteriorated among those of PWGSC. In Ontario, NCC made some improvements in the level of bilingual service in its buildings but PWGSC-owned buildings showed a deterioration of bilingual services. As a result, the overall level of bilingual service among Ontario businesses has remained basically the same as in 2003. There was a decrease in the availability of bilingual signage and written material in Quebec, especially in PWGSC owned buildings. However, the overall availability of bilingual in-person and telephone services remained excellent in NCC and PWGSC buildings in Quebec. The study also found that only five of the original 13 recommendations were fully implemented. Three new recommendations were addressed to PWGSC and one to Canadian Heritage.

Three other studies are due to be published in 2006-2007:

- *A Sharper View: Evaluating the Vitality of Official Language Minority Communities*
- *Drawing the line: The Impact of Readjusting the Electoral Boundaries on the Official Language Minority Communities*
- *Towards Real Equality of Official Languages: Language of Work Within Federal Institutions of New Brunswick*

OCOL undertook a pan-Canadian consultation tour, mobilizing some 250 people from official language communities, associations, and the academic and professional communities to review the Official Languages (Communications with and Services to the Public) Regulation and determine whether they need to be modernized. In September 2005, prior to this national tour, the Commissioner met with a focus group of 40 people in Ottawa to ensure that OCOL's reflections on this subject were well grounded. In her last Annual Report (2005-2006), the Commissioner included a recommendation that the President of the Treasury Board modernize the Regulation to allow Canadians to receive services of equal quality in the official language of their choice and examine the relevance of adopting new regulations that aim to specify the implementation of the obligations set out in other Parts of the Act, particularly Parts V and VII. OCOL is continuing its reflection on the content of the new regulation.

Publication of the PRC in the Annual Report, as well as publication of the audit reports, support OCOL's promotion role. These publications contribute to raising the public's and the federal institutions' awareness of linguistic duality.

Monitoring

The Commissioner appeared before the House of Commons and Senate Committees on Official Languages, interacted with a number of parliamentarians, administrators, and key federal ministers responsible for official languages. In 2005-2006, the Commissioner met on eight occasions with various legislative committees. This allowed her to reinforce her key messages,

especially those from her Annual Report 2004-2005, as well as the need to strengthen and clarify Part VII of the *Official languages Act*. Her public interventions, before parliamentary committees as well as in the news media, played a key role leading to the satisfactory amendment and subsequent adoption of Bill S-3, reinforcing Part VII of the Act.

Examples of results following the Commissioner's appearances during 2005-2006 include:

- OCOL's priorities – The Commissioner appeared before the of Commons Standing Committee on Official Languages on April 7, 2005. The Commissioner informed the members of her priorities for federal institutions: delivery of quality services in both official languages and full integration of the official languages in Public Service culture, greater economic and social support for official language minority communities, and promotion of linguistic duality in Canadian society. This appearance increased understanding of the Commissioner's objectives and priorities for 2005-2006.

- Relocating the Canadian Tourism Commission: the Commissioner appeared before the House of Commons Standing Committee on Industry, Natural Resources, Science and Technology on April 11, 2005, to discuss the relocation of the Canadian Tourism Commission head office from Ottawa, which is designated bilingual for language of work purposes, to Vancouver, which is not a designated bilingual region. The Commissioner asked that the bilingual work environment be preserved despite the relocation to a non-bilingual region. The Commission decided to preserve its employees' language of work rights. In addition, the Treasury Board approved an implementation principle on language of work that protects for an interim period the language of work rights of employees when a head office relocates.

- Amendments to Part VII of the *Official Languages Act:* The Commissioner once again appeared before the House of Commons Standing Committee on Official Languages on October 5, 2005, in support of Bill S-3, sponsored by the Honourable Jean-Robert Gauthier, who several years before had set out the great challenge of clarifying the binding nature of Part VII of the *Official Languages Act.* The Commissioner recommended amending the wording of subsection 41(2) of the *Official Languages Act* so that it reads: "Every federal institution has the duty to ensure that positive measures are taken for the implementation of the commitments under subsection (1)." The Commissioner also recommended that no amendments be made to section 43. These recommendations are now fully incorporated into the *Official Languages Act.* Henceforth, federal institutions have the duty to ensure that positives measures are taken to enhance the vitality of the English and French linguistic minority communities in Canada and support and assist their development; and to promote linguistic duality.

- Amendments to the judicial appointments process: the Commissioner appeared before the Subcommittee on the process for appointment to the federal Judiciary of the Committee on Justice, Human Rights, Public Safety and Emergency Preparedness on November 14, 2005, in order to discuss the need to modify the judicial appointment process to ensure that superior courts and courts of appeal have sufficient bilingual capacity. On November 28, the Subcommittee filed a preliminary report that recognized the issues related to the appointment of bilingual judges and accepted the need to reform the current process. The Subcommittee's

report followed up on some of the Commissioner's recommendations by declaring the merits of an amendment that would have candidates be interviewed, and agreeing on the need for the Minister of Justice to consult with the chief justice of the court that has the vacancy before making any appointments.

- Submission of the Commissioner's sixth Annual Report before the House of Commons Standing Committee on Official Language on October 27, and before the Senate Standing Committee on Official Languages on November 21, 2005: the Commissioner discussed highlights of her sixth Annual Report submitted in two volumes on May 31, 2005. The first volume contained a review of 35 years of progress toward linguistic duality, and the second was devoted to an assessment of the Government of Canada's performance and the activities related to OCOL's mandate. The Commissioner gave a positive review of the last 35 years' advances, while reminding the committee that significant progress is still needed in all areas covered by the *Official Languages Act*.

- Air Canada: the Commissioner appeared before the House of Commons on Official Languages Standing Committee and the Standing Committee on Transport on November 17 and 22, 2005, respectively, to propose amendments to Bill C-47 to uphold Air Canada's language obligations following its restructuring. Although Bill C-47 died on the Order Paper, the House of Commons Standing Committee on Official Languages approved the Commissioner's recommendations in its first report after parliament resumed in 2006, recommending "that the Minister of Transport, Infrastructure and Communities reintroduce in the shortest possible time another bill repeating the provisions of Bill C-47, and adding the amendments suggested by the Commissioner of Official Languages."

Details on all of the Commissioner's appearances can be found on OCOL's Web site.

The Commissioner met with the Deputy Ministers of major departments to discuss issues raised during investigations, audits, evaluations (including the Performance Report Card) and studies in order to increase their awareness of their responsibilities under the Act. Special attention was paid to the need for Deputy Ministers to show more leadership towards changing the organizational culture of their respective institution to ensure that work environments respect the language rights of employees.

In the 2004-2005 Federal Institution Report Card, OCOL noted some possible problems in the area of program management at Public Works and Government Services Canada (PWGSC). The results of this assessment, paired with the complaints filed against the Department, have influenced OCOL's strategic agenda. In order to improve monitoring, OCOL conducted an in-depth audit of PWGSC. The results of the audit found problems regarding the management of the Official Languages Program. The effect of our interventions was felt this year when a message was sent from the Deputy Minister to all the Department's senior executives and managers asking them to strengthen their leadership and commitment to create an environment that is respectful of both official languages.

Our monitoring activities also helped establish an official languages accountability framework at Transport Canada, developed in response to the first PRC in 2004-2005.

The key institutions' official languages leadership and coordination assessment exercise also illustrates our monitoring activities. This exercise involved five key institutions: the Privy Council Office, the Public Service Human Resources Management Agency of Canada, Canadian Heritage, Justice Canada, and the Public Service Commission. The Commissioner noted that the key institutions are generally doing good work in publicizing their official languages mandate and setting an example for the federal government. However, she pointed out that there is still a lot of work to be done to get key institutions more involved in achieving actual results in the field.

Working with Partners

OCOL's regional offices carry out a wide variety of actions with the public and official language communities to promote Canada's linguistic duality, including working closely with the regional federal councils and their official languages committees to organize opportunities such as conferences, meetings and roundtables to promote linguistic duality. At the same time, OCOL informs organizations about the provisions of the Act, and encourages them to provide better quality service to Canadians, and to change the organizational culture within the public service.

For example:

- The Official Languages Committee of the New Brunswick Federal Council held the first Official Languages Week in the province. It was attended by over 500 federal public servants from across the province and helped the participants gain a better understanding of obligations and rights of public servants regarding language of service and language of work.

- Thanks to the Regional Partnership Fund of the Public Service Human Resources Management Agency of Canada, the Pacific Federal Council Official Languages Committee sponsored a project to provide on-line, Internet based courses to help maintain knowledge of French. The courses, which are designed for employees who are not able to attend classes, allowed 25 participants to update their linguistic skills.

- The Manitoba Federal Council Official Language Steering Committee planned and delivered, in conjunction with the Province of Manitoba and the francophone leaders, the first tri-level conference, ConverGence, featuring as its main topics, the minority community and the development of a tripartite consultative mechanism. The aim of the conference was to facilitate dialogue and meaningful action to develop the minority community and contribute to its vitality. The conference was attended by over 200 participants.

- The Quebec Federal Council created an award to recognize exemplary contributions of federal public servants in Quebec in the area of official languages. This award promotes the use of both languages in the workplace and also raises awareness of the values of linguistic duality and respect for others. Other institutions, such as Citizenship and Immigration Canada and Transport Canada, have decided to follow suit by developing a similar model and adapting it to their own setting.

- The Ontario Federal Council held its first Forum on Official Languages at Niagara-on-the-Lake. Nearly 80 participants from different organizations and departments throughout the province attended the forum which allowed participants to exchange on best practices. Forum results will lead to the development of recommendations aimed at highlighting official languages in Ontario.

- At headquarters, OCOL is maintaining ongoing dialogue with the institutions in the form of investigations, audits, and preparing the PRC. These dialogues are good opportunities to raise awareness and educate the institutions about their official languages obligations and help them through any necessary changes.

Court interventions

In keeping with her mandate to take all actions and measures within her authority with a view to ensuring compliance with the spirit and intent of the Act, the Commissioner obtained intervener status in three court proceedings filed by complainants pursuant to Part X of the Act.

The first case involved the delicate issue of jurisdiction of the Federal Court and labour arbitrators in language rights disputes arising from the workplace under the governance of collective agreement. In the case of Norton v. Via Rail Inc., the Commissioner intervened before the Federal Court of Appeal in support of three complainants' right to apply for a remedy before the Federal Court pursuant to part X of the Act. On June 1, 2005, the Federal Court of Appeal released a decision accepting the Commissioner's argument that the complainants should be entitled to pursue their applications in order for the court to hear the cases on their merits.

The other two interventions by the Commissioner dealt with cases where services were provided on behalf of federal institutions. In the decision Desrochers v. Canada (Industry) rendered July 15, 2005, the Federal Court agreed that Industry Canada had the obligation to ensure that community development services delivered by a not-for-profit corporation in the context of a federally funded program had to be provided in both official languages in a manner consistent with the Act. In the case of Thibodeau v. Air Canada, the issue turned on the nature and the extent of Air Canada's obligation to ensure that services provided by its subsidiaries comply with Air Canada's language obligations. The Federal Court issued two decisions (August 24, 2005 and December 1, 2005), confirming that Air Canada had failed to meet its obligations and ordering appropriate remedies. In clarifying the scope of Air Canada's language obligations, the Court accepted the Commissioner's legal arguments to the effect that the *Official Languages Act* imposed an "obligation of result" upon Air Canada. Both of these cases have been appealed to the Federal Court of Appeal and the Commissioner has sought leave to intervene in the appeals.

Second Strategic Priority: The vitality of the official language minority communities in Canada is enhanced in sectors affecting the communities' development.

Under Part VII of the Act, the federal government is committed to enhancing the vitality of the English and French linguistic minority communities in Canada and to supporting and assisting their development, and to fostering the full recognition and use of both English and French in

Canadian society. This fiscal year, the Commissioner intervened at various levels to ensure that these commitments were carried out.

During 2005-2006, the most important development was the passage by Parliament of Bill S-3 on November 25, 2005. The new Act clarifies the obligations of federal institutions under Part VII of the *Official Languages Act*. Every federal institution must now take "positive measures" to fulfil the government's obligations with respect to the vitality of official language minority communities and with regard to promoting linguistic duality. The Commissioner's first call for changes to the Act was in 2001-2002.

Ombudsman

During 2005-2006, OCOL resolved 31 Part VII complaints, which referred to development of minority communities and linguistic duality. It also began to provide responses to questions from federal organizations and minority community groups about the impact of the legislative changes brought about by the passage of S-3.

Audit

OCOL started work on an audit of the Canadian Radio-television and Telecommunication Commission, examining whether the policy-making role of the regulator adequately takes into account minority community considerations under Part VII of the Act. OCOL also continued its work on a horizontal audit on health care delivery to minority communities by Health Canada, Veterans Affairs, the Royal Canadian Mounted Police and Correctional Service of Canada.

Performance Measurement

Through its Performance Report Card (PRC) activities, the Commissioner also assessed the mechanisms that federal institutions use to contribute to the vitality of official language minority communities. The analysis of Part VII results in the PRC indicated that institutions have started to put in place mechanisms to take into consideration the obligation of fostering the equality of status and the use of English and French in light of the approval of S-3.

Promotion and Education

As noted above, the Commissioner held a round table in late September on the issue of the vitality of minority communities that was attended by academics, minority community associations and government officials. The round table examined the need for changes in the regulatory framework for the Act. As a result of this forum and additional research, OCOL conducted a study: *A Sharper View: Evaluating the Vitality of Official Language Minority Communities.* The study, to be published during 2006-2007, attempts to shed some light on how communities, researchers and governments conceive the concept of "vitality" of Canada's official language minority communities.

OCOL also carried out an exploratory study aiming at identifying the stakes and the best practices related to horizontal governance. This research provided important insight into the ways

and the factors which contribute to effective horizontal management and these are set out in the Annual Report.

Working with Partners

As mentioned earlier in this report, OCOL's regional offices carry out a wide variety of actions with the public and official language communities to promote Canada's linguistic duality. They also work closely with the regional federal councils and their official languages committees to organize opportunities such as conferences, meetings and roundtables to encourage linguistic duality and support official language minority communities.

For example:

- In November 2005, the Alberta Federal Council worked to set up a network of program officers in several departments with a mandate to support the Francophone community. The aim was to share information, improve understanding of each officer's programs, and create personal contacts to help departments offering funding programs comply with section 41 of the *Official Languages Act*.

- In addition, OCOL supported the Saskatchewan Francophone community, which has established a major strategy to promote Francophone culture among both Francophones and the majority. A coalition of community, government, and private organizations was created to promote a dynamic, inclusive, and modern image of the French language and culture in Saskatchewan. The Coalition, which involves Francophone and majority groups, aims to increase Saskatchewanians' participation in all aspects of the Francophone culture, both in primary and secondary education, as well as in the many French-language community activities. In Saskatoon, last March, before a crowd of 1,400 students from the province's French-language and French immersion schools, the Coalition launched the Francofièvre promotion campaign, which will run for the next five years.

Monitoring

The Government's Action Plan for Official Languages: OCOL continued to monitor the progress of the initiatives undertaken under the Action Plan in such areas as education, health, justice, and immigration. While the Commissioner has criticized the federal government for its slow pace in implementing the Action Plan overall and for the lack of performance measurements, there was some promising progress in the area of health, justice and immigration, but much less progress in education.

OCOL is monitoring federal institutions and encouraging them to take into account official language minority community (OLMC) development. This year, when preparing our PRC, we noted that our interventions have motivated certain institutions to take positive measures with regard to OLMC development. These include the Canada Mortgage and Housing Corporation, which this year established a mechanism for integrating OLMC development issues into their strategic and business plan, even though they are not one of the institutions required by Canadian Heritage to report on their activities under section 41.

Court interventions

In the matter of the Fédération Franco-Ténoise v. Canada (Attorney General), the Commissioner obtained intervener status and participated in the trial before the Supreme Court of the Northwest Territories, which took place in Yellowknife from September to November 2005. At issue in this action was the status and use of French in the Northwest Territories and the nature and extent of the language obligations of the government of the Northwest Territories and the responsibility of the government of Canada towards the Northwest Territories. The Commissioner's intervention was concerned mainly with the constitutional framework governing the implementation of a language rights regime in the Northwest Territories respecting language rights guaranteed by the *Canadian Charter of Rights and Freedoms* and the corresponding impact on the vitality of the French minority communities in the Northwest Territories. In a lengthy decision, the Court relied on the Commissioner's submissions that language rights give rise to an "obligation of result" and concluded that the territorial defendants had not fulfilled their duties. The Court also ordered a series of corrective measures with a view to remedy the territorial government's failure to implement a proper language rights regime in the Northwest Territories. The case is currently under appeal before the Court of Appeal of the Northwest Territories.

Third Strategic Priority: Equality of English and French is recognized and fostered as a value in an increasingly diverse Canadian society.

In 2005-2006, OCOL continued to engage in numerous activities in order to raise the profile of linguistic duality as a fundamental value of Canadian society. Federal institutions now have the obligation to take positive measures in order to foster bilingualism and linguistic duality in Canadian society. As a result, our interventions were aimed at the federal institutions as well as at the general population.

Promotion and Education

OCOL reached out to Canadians by engaging in a number of promotional activities such as media interviews, speeches and appearances at public forums at the national and international level.

The Commissioner gave a total of 136 media interviews on various topics related to official languages. Coverage of the launch of the 2004-2005 Annual Report in May 2005 alone generated an estimated total reach of 4.3 million. In addition to those interview requests, OCOL responded to 109 requests for information from the media.

A couple of issues in particular prompted a large number of interviews: the poor quality of translated job postings in Public Work's Job Bank Web site; and the relocation of the Canadian Tourism Commission from Ottawa to Vancouver. Through these interviews, the Commissioner was able to sensitize both the public and the government to the impact of such events on quality of service in both languages and on the linguistic rights of civil servants.

In 2005-2006, the Commissioner gave 37 speeches at various events in Canada and abroad. Audiences included academics, immersion and minority-language teachers, leaders from the various official language minority communities, public servants, parliamentary committees, and others. An estimated total of 4,500 people heard the Commissioner speak.

The Commissioner also heightened the profile of linguistic duality as a fundamental value of Canadian society and identity through international appearances. For example, in March, 2006, at the invitation of the International Council for Canadian Studies, the Commissioner participated in a series of conferences into European countries (Belgium, Slovenia, Italy, Spain and Portugal) to promote the Canadian model of linguistic accommodation.

Details on all of the Commissioner's speeches can be found on OCOL's Web site.

A number of events were organized by OCOL to further understand the issues related to linguistic duality and to disseminate the information.

In October 2005, the Commissioner brought together experts, thinkers and leaders of opinion to discuss the contribution of linguistic duality and cultural diversity to the Canadian identity and to determine ways of attaining a better integration of the concepts of linguistic duality and cultural diversity. This activity not only helped OCOL identify effective intervention strategies with federal institutions but also raised the awareness of linguistic duality in a group of individuals who are able to influence public opinion.

OCOL also carried out a number of studies in order to further its own understanding of important issues and to enhance federal institutions' awareness of these issues.

The 2010 Olympic and Paralympic Winter Games present an ideal opportunity to showcase the linguistic duality of Canada to the rest of the world. In order to ensure that linguistic duality is not overlooked and remains a priority, the Commissioner met with the Vancouver Organizing Committee (VANOC) and the 2010 Olympic and Paralympic Winter Games Federal Secretariat. OCOL took part in negotiating an agreement between VANOC, the Fondation canadienne pour le dialogue des cultures, and the Fédération des francophones de la Colombie-Britannique that would give the latter the role of host community for the Olympics.

Monitoring

OCOL monitors institutions' promotion of linguistic duality through its performance report cards. Following the results of this assessment and a review of candidates for the Leon Leadership Award, OCOL presented this award to the Chief Executive Officer of Parks Canada Agency for his efforts to promote linguistic duality in Canada. Under his leadership, two initiatives have been developed: "Parks Canada in Schools" and the lesson plan to mark the 400th anniversary of the arrival of French colonists in Canada. OCOL publicly recognized these efforts in order to inspire other federal institutions and further contribute to the promotion of Canada's linguistic duality.

Fourth Strategic Priority 4: Development and maintenance of an exemplary workplace and an effective and efficient management.

As mentioned earlier in this report, OCOL espouses modern management principles and practices and is taking measures to become a learning organization. This transition calls for several years of investing in a culture change, which influences all areas of management.

OCOL is dedicated to building and nurturing an organization that strives for excellence. As part of its management accountability framework development process, OCOL continued integrating effective risk management into the organization's planning process. Work began on enhancing the internal audit capacity to meet new government accountability requirements, while protecting our status of independence from government. As well, OCOL has developed an information management audit framework, including an action plan. The framework will become part of OCOL's policy on internal audit.

For the third consecutive year, OCOL received an unqualified audit opinion from the Office of the Auditor General following the external audit of the financial statements for the 2005-2006 fiscal year. This outcome was the result of a joint effort in rigorously applying internal and external policies and guidelines.

Through the Financial Delegation Authority Instrument, managers are directly held accountable for effectively managing financial resources. OCOL has strengthened the monitoring process in the area of procurement and provided necessary training sessions. Consistent with the Treasury Board Proactive Disclosure Policy, OCOL posts on its Web site all awarded contracts that exceed $10,000.

The funding and oversight of Officers of Parliament, including OCOL, has continued to be an area of great interest during this reporting period. OCOL's budget is currently determined by the Treasury Board, one of the organizations OCOL audits. As well, OCOL, like other Officers of Parliament, is required to report to central agencies on various matters as part of the traditional oversight role played by these organizations. This process has been a matter of concern to all Officers of Parliament since it does not sufficiently protect independence from government. A pilot project was put in place in 2005-2006 whereby Officers of Parliament would seek support for funding from a Parliamentary Panel, thus reinforcing, as Officers of Parliament, a need to have a better integration with parliamentary institutions. OCOL's Performance Report for the period 2006-2007 will further report on achieved progress in this area.

OCOL's greatest strength is found in its staff's dedication in providing to Canadians and other key stakeholders high quality service delivery, in support of the organization's mandate. Being a knowledge-based organization and promoting the values of a learning organization, OCOL provides a respectful workplace and offers to its staff the necessary tools to support a working environment where learning opportunities and sharing of best practices are available. Several learning, training, and information sessions were delivered to employees. These sessions covered topics such as: policies and guidelines for the above-mentioned service delivery, information and file management training and awareness, and information sessions for all employees on the new *Public Service Employment Act*. In addition, over 90% of managers have received training on the *Public Service Employment Act* in order to obtain staffing sub-delegation. OCOL organizes two annual general meetings for all employees, which include learning activities. In general, 70% of employees have a positive opinion of these meetings and learning activities.

Performance evaluations and learning plans have become key elements of the planning and reporting framework. More than 90% of employees have received feedback, and part of their performance evaluations was accompanied by either a personal learning plan or development

goals. In addition, development of a human resources planning approach, in support of OCOL's strategic priorities, is being pursued in 2006-2007.

OCOL moved forward with its Information Management/Information Technology strategic plan. Progress has been made in the development of an approach for managing corporate knowledge and for promoting effective information management principles and practices. As well, OCOL initiated a review of record management practices and enhanced its information technology systems, security and databases.

OCOL received a "positive rating" from the Public Service Commission regarding the criteria put forward in order to meet the essential requirements in implementing the *Public Service Modernization Act*. OCOL has developed three policies required by the Act, in addition to an instrument of delegation authority. These enable OCOL to continue to carry out its responsibilities and new delegations related to human resources; they also enable OCOL's managers to be held accountable in the decision-making process.

In order to improve the efficiency and effectiveness of its functions, OCOL conducted a realignment in order to better carry out its compliance activities. At the end of the 2005-2006 fiscal year, the Investigations Branch changed its name to the Compliance Assurance Branch (CAB) and efforts were made to better integrate and harmonize its three primary functions - investigations, assessments and audits. During the 2006-2007 fiscal year, this new synergy strengthens CAB's capacity to positively influence OCOL's strategic agenda. Financial tables in this report refer to the Investigations Branch.

SECTION III – SUPPLEMENTARY INFORMATION

Organizational Information

In carrying out her mission of ensuring full recognition and widespread use of English and French within Canadian society and federal institutions and other organizations subject to the Act, the Commissioner of Official Languages is supported by OCOL's staff, which is divided between the National Capital Region and regional offices across Canada.

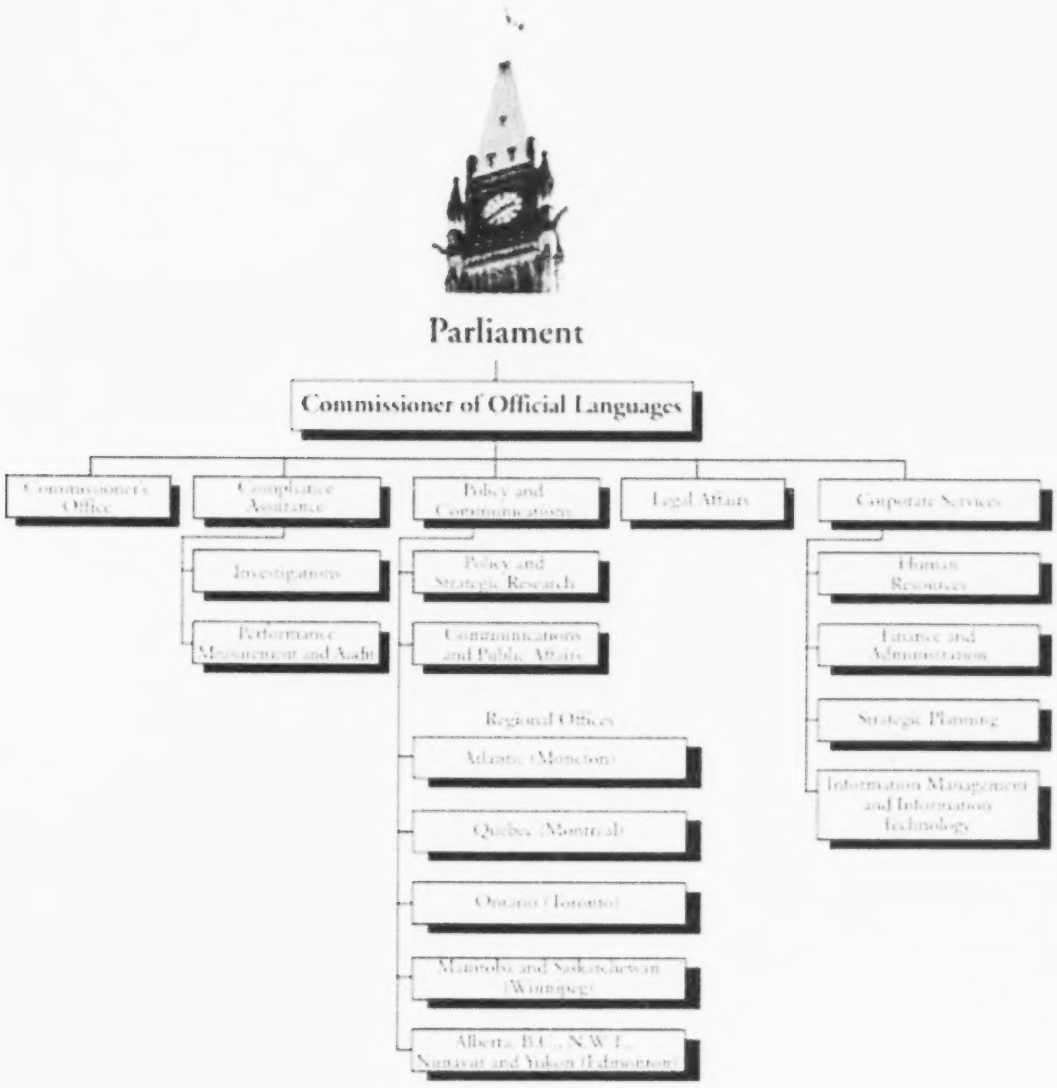


Table 1: Comparison of Planned to Actual Spending (including Full-Time Equivalents)

(in thousands of dollars)

	2003-04 Actual (1)	2004-05 Actual (1)	2005-2006			
			Main Estimates	Planned Spending	Total Authorities (2)	Total Actuals
Investigations	8,828.0	8,924.2	8,420.0	8,433.0	8,477.9	8,173.6
Policy and Communications	9,384.4	9,371.7	9,945.0	9,958.0	10,028.1	9,628.8
Total	**18,212.4**	**18,295.9**	**18,365.0**	**18,391.0**	**18,506.0**	**17,802.4**
Less: Non-Respendable revenue	-	-	N/A	-	N/A	-
Plus: Cost of services received without charge (3)	2,653.0	2,671.7	N/A	2,602.0	N/A	2,647.0
Total Office's Spending	**20,865.4**	**20,967.6**	**N/A**	**20,993.0**	**N/A**	**20,449.4**
Full-Time Equivalents	**146.0**	**152.9**	**N/A**	**164.0**	**N/A**	**149.5**

(1) To conform to the 2005-2006 DPR's new presentation, Corporate Services is no longer shown separately.

(2) Total authorities correspond to the Main Estimates plus the Governor General's Special Warrants and other authorities.

(3) Cost of services received without charge: refer to Table 4.

Table 2: Resources by Program Activity

(in thousands of dollars)

2005-2006				
	Budgetary			
Program Activity	Operating	Total Gross Budgetary Expenditures	Less Respendable Revenue	Total Net Budgetary Expenditures
Investigations				
Main Estimates	8,420.0	8,420.0	-	8,420.0
Planned Spending	*8,433.0*	*8,433.0*	-	*8,433.0*
Total Authorities	8,477.9	8,477.9	-	8,477.9
Actual Spending	*8,173.6*	*8,173.6*	-	*8,173.6*
Policy and Communications				
Main Estimates	9,945.0	9,945.0	-	9,945.0
Planned Spending	*9,958.0*	*9,958.0*	-	*9,958.0*
Total Authorities	10,028.1	10,028.1	-	10,028.1
Actual Spending	*9,628.8*	*9,628.8*	-	*9,628.8*
Total Office's Resources				
Main Estimates	18,365.0	18,365.0	-	18,365.0
Planned Spending	*18,391.0*	*18,391.0*	-	*18,391.0*
Total Authorities	18,506.0	18,506.0	-	18,506.0
Actual Spending	*17,802.4*	*17,802.4*	-	*17,802.4*

Table 3: Voted and Statutory Items

(in thousands of dollars)

Vote or Statutory Item	Truncated Vote or Statutory Wording	2005-2006			
		Main Estimates	Planned Spending	Total Authorities	Total Actuals
20	Program Expenditures	16,279.0	16,305.0	16,529.0	15,826.6
(S)	Contributions to employee benefit plans	2,086.0	2,086.0	1,975.8	1,975.8
(S)	Crown Assets Surplus	-	-	1.2	-
	Total	**18,365.0**	**18,391.0**	**18,506.0**	**17,802.4**

Table 4: Services Received Without Charge

(in thousands of dollars)

	2005-2006
Accommodation provided by Public Works and Government Services Canada	1,700.0
Contributions covering the employer's share of employees' insurance premiums and expenditures paid by Treasury Board Secretariat (excluding revolving funds)	856.0
Audit services provided by the Office of the Auditor General of Canada	85.0
Cost of payroll services provided by Public Works and Government Services Canada	6.0
Total 2005-2006 Services received without charge	**2,647.0**

Table 5: Resource Requirements by Branch

(in thousands of dollars)

2005-2006			
	Program Activity		
Branch	Investigations	Policy and Communications	Total
Investigations			
Planned Spending	5,330.0		5,330.0
Actual Spending	4,921.2		4,921.2
Policy and Communications			
Planned Spending		6,967.0	6,967.0
Actual Spending		6,315.9	6,315.9
Legal Affairs			
Planned Spending	1,058.0		1,058.0
Actual Spending	950.2		950.2
Corporate Services			
Planned Spending	2,045.0	2,991.0	5,036.0
Actual Spending	2,302.2	3,312.9	5,615.1
Total Office's Resources			
Planned Spending	8,433.0	9,958.0	18,391.0
Actual Spending	8,173.6	9,628.8	17,802.4

Table 6: Financial Statements

OFFICE OF THE COMMISSIONER OF OFFICIAL LANGUAGES

Management Responsibility for Financial Statements

Responsibility for the integrity and objectivity of the accompanying financial statements of the Office of the Commissioner of Official Languages for the year ended March 31, 2006 and all information contained in this report rests with the Office's management. These financial statements have been prepared by management in accordance with accounting policies issued by the Treasury Board of Canada Secretariat, which are consistent with Canadian generally accepted accounting principles for the public sector, and year-end instructions issued by the Office of the Comptroller General.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the Office's financial transactions. Financial information submitted to the Public Accounts of Canada and included in the Office's Departmental Performance Report is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the Office.

The Auditor General of Canada conducts an independent audit and expresses an opinion on the accompanying financial statements.

Dyane Adam
Commissioner of Official Languages

Toby Fyfe
Senior Financial Officer
Assistant Commissioner
Corporate Services

Ottawa, Canada
July 18, 2006

Auditor General of Canada
Vérificatrice générale du Canada

AUDITOR'S REPORT

To the Speaker of the House of Commons and the Speaker of the Senate

I have audited the statement of financial position of the Office of the Commissioner of Official Languages as at March 31, 2006 and the statements of operations, equity of Canada, and cash flows for the year then ended. These financial statements are the responsibility of the Office's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Office as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Further, in my opinion, the transactions of the Office that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with the *Financial Administration Act* and regulations and the *Official Languages Act*.

Sheila Fraser

Sheila Fraser, FCA
Auditor General of Canada

Ottawa, Canada
July 18, 2006

OFFICE OF THE COMMISSIONER OF OFFICIAL LANGUAGES

Statement of Financial Position
At March 31

	2006	2005
Assets		
Financial assets		
Cash	$3,426	$4,041
Due from the Consolidated Revenue Fund	1,329,415	1,521,797
Accounts receivable from other Government departments	162,102	439,081
Total financial assets	1,494,943	1,964,919
Non-financial assets		
Prepaid expenses	9,648	27,309
Tangible capital assets (Note 4)	1,462,551	1,707,095
Total non-financial assets	1,472,199	1,734,404
TOTAL	$2,967,142	$3,699,323
Liabilities		
Accounts payable and accrued liabilities from other Government departments	$1,492,886	$1,940,943
Provision for vacation pay and compensatory leave	770,360	651,131
Employee severance benefits (Note 5)	2,339,325	2,177,871
Total liabilities	4,602,571	4,769,945
Equity of Canada	(1,635,429)	(1,070,622)
TOTAL	$2,967,142	$3,699,323

Contingent liabilities (Note 8)
Contractual obligations (Note 9)

The accompanying notes are an integral part of these financial statements.

Dyane Adam
Commissioner of Official Languages

Toby Fyfe
Senior Financial Officer
Assistant Commissioner
Corporate Services

OFFICE OF THE COMMISSIONER OF OFFICIAL LANGUAGES

Statement of Operations
For the year ended March 31

	2006			2005
Operating Expenses	**Investigations**	**Policy and Communications**	**Total**	
Salaries and employee benefits	$6,884,425	$7,157,455	$14,041,880	$13,818,361
Professional and special services	1,077,495	1,780,405	2,857,900	3,308,888
Accommodation	697,000	1,003,000	1,700,000	1,676,000
Transportation and telecommunications	422,608	546,645	969,253	1,052,518
Amortization of tangible capital assets	188,915	271,853	460,768	655,695
Communications and printing	23,218	443,724	466,942	312,661
Utilities, materials and supplies	72,670	122,767	195,437	261,830
Rentals of photocopiers and other items	53,681	82,839	136,520	139,209
Repairs and maintenance	49,810	73,685	123,495	115,427
Other	1,999	2,451	4,450	22,128
Net cost of operations	$9,471,821	$11,484,824	$20,956,645	$21,362,717

The accompanying notes are an integral part of these financial statements.

OFFICE OF THE COMMISSIONER OF OFFICIAL LANGUAGES

Statement of Equity of Canada
For the year ended March 31

	2006	2005
Equity of Canada, beginning of the year	$(1,070,622)	$(486,726)
Net cost of operations	(20,956,645)	(21,362,717)
Net cash provided by Government	17,937,220	18,711,833
Change in due from Consolidated Revenue Fund	(192,382)	(605,238)
Services provided without charge by other government departments (Note 7)	2,647,000	2,672,226
Equity of Canada, end of the year	$(1,635,429)	$(1,070,622)

The accompanying notes are an integral part of these financial statements.

OFFICE OF THE COMMISSIONER OF OFFICIAL LANGUAGES

Statement of Cash Flows
For the year ended March 31

	2006	2005
Operating activities		
Net cost of operations	$20,956,645	$21,362,717
Non-cash items:		
Amortization of tangible capital assets	(460,768)	(655,695)
Services provided without charge by other government departments (Note 7)	(2,647,000)	(2,672,226)
Variations in Statement of Financial Position:		
Decrease (Increase) in liabilities	167,374	306,174
Increase (Decrease) in accounts receivables	(276,979)	43,862
Increase (Decrease) in prepaid expenses	(17,661)	27,309
Cash used by operating activities	17,721,611	18,412,141
Capital investment activities		
Acquisition of tangible capital assets	216,224	298,926
Financing Activities		
Net cash provided by Government of Canada	(17,937,220)	(18,711,833)
Net Cash Used	615	(766)
Cash, beginning of year	4,041	3,275
Cash, end of year	$3,426	$4,041

The accompanying notes are an integral part of these financial statements.

OFFICE OF THE COMMISSIONER OF OFFICIAL LANGUAGES

Notes to the Financial Statements
For the year ended 31 March 2006

1. Authority and Objectives

The Parliament of Canada adopted the first *Official Languages Act* in 1969. This *Act* provided that English and French would henceforth have "equality of status and equal rights and privileges as to their use in all the institutions of the Parliament and Government of Canada."

A new *Act* came into force in 1988 and was amendment on November 25, 2005. The *Act* sets out three basic objectives of the Government of Canada:

a) ensure respect for English and French as official languages of Canada, and ensure equality of status and equal rights and privileges as to their use in all federal institutions;

b) set out the powers, duties and functions of federal institutions with respect to the official languages of Canada;

c) support the development of English and French linguistic minority communities and generally advance the equality of status and use of the English and French languages within Canadian society.

The Office of the Commissioner of Official Languages (Office), which serves the public from its offices in Ottawa and its five regional offices, supports the Commissioner of Official Languages in fulfilling her mandate. The mandate of the Commissioner consists of taking all necessary measures to ensure recognition of the status of each of the official languages and compliance with the letter and the spirit of the *Official Languages Act* in the administration of the affairs of federal institutions, including any of their activities relating to the advancement of English and French in Canadian society.

The Office is named in Schedule I.1 of the *Financial Administration Act* (FAA) and is funded through annual appropriations.

The Commissioner of Official Languages is appointed after approval of the appointment by resolution of the Senate and the House of Commons for a seven-year term (renewable) and holds office during good behaviour. The Commissioner reports directly to Parliament.

2. Significant Accounting Policies

a) Basis of presentation

These financial statements have been prepared on an accrual basis of accounting in accordance with accounting policies issued by the Treasury Board of Canada Secretariat, which are consistent with Canadian generally accepted accounting principles for the public sector, and year-end instructions issued by the Office of the Comptroller General.

b) Parliamentary appropriations

The Office of the Commissioner of Official Languages is funded through annual parliamentary appropriations. Appropriations provided to the Office do not parallel financial reporting according to Canadian generally accepted accounting principles for the public sector. They are based in a large part on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides information regarding the source and disposition of these authorities and provides a high-level reconciliation between the two bases of reporting.

c) Net cash provided by Government

The Office operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the Office is deposited to the CRF and all cash disbursements made by the Office are paid from the CRF. Net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

d) Due from the Consolidated Revenue Fund

Due from the CRF represents amounts of cash that the Office is entitled to draw from the Consolidated Revenue Fund, without further appropriations, in order to discharge its liabilities.

e) Receivables

Receivables are stated at amounts expected to be ultimately realized. A provision is made for receivables where recovery is considered uncertain.

f) Tangible capital assets

The Office records as capital assets all expenses providing multi year benefits to the Office and having an initial cost of $1,000 or more. Similar items under $1,000 are expensed in the Statement of Operations.

Amortization of capital assets is done on a straight-line basis over the estimated useful life of the capital asset as follows:

Asset Class	Amortization Period
Machinery and equipment	5 years
Informatics hardware	4 years
Furniture	5 years
Informatics software	3 years
Motor vehicle	7 years
Leasehold improvements	Term of the lease

g) Employee future benefits

i. Vacation pay and compensatory leave

Employee vacation pay and compensatory leave are expensed as the benefit accrues to employees under their respective terms of employment. The liability for vacation pay and compensatory leave is calculated at the salary levels in effect at the end of the year for all unused vacation pay and compensatory leave benefits accruing to employees. Employee vacation-pay liabilities payable on cessation of employment represent obligations of the Office that are normally funded through future years' appropriations.

ii. Employee severance benefits

Employees are entitled to severance benefits, as provided for under labour contracts and conditions of employment. The cost of these benefits is accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

iii. Contributions to pension plan

The Office's eligible employees participate in the Public Service Pension Plan, a multi-employer plan administered by the Government of Canada. The Office's contributions reflect the full cost as employer. This amount is currently based on a multiple of an employee's contribution and may change over time depending on the experience of the Plan. The Office's contributions are expensed during the year in which the services are rendered and represent the total pension obligation of the Office. The Office is not currently required to make contributions with respect to any actuarial deficiencies of the Public Service Pension Plan.

iv. Others benefits

The Government of Canada sponsors a variety of other benefit plans, which cover the employees of the Office. These include health care, dental and insurance plans for which no costs are charged to the Office. In these cases, an estimated cost is recorded as an operating expense under services provided without charges. The Government of Canada also sponsors workers' compensation benefits available across Canada. The Office is charged for its share of the annual benefit payments incurred under this Plan. These amounts represent the Office's contribution to the Plan and they are recorded by the Office as an expense in the period incurred. As a participant, the Office has no other obligation to any of these plans in addition to its annual contributions.

h) Services provided without charge by governments departments and agencies

Services provided without charge by government departments and agencies are recorded as operating expenses at their estimated cost. A corresponding amount is reported in the Statement of Equity of Canada.

i) Contingent liabilities

Contingent liabilities are potential liabilities, which may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

j) Measurement uncertainty

Preparing financial statements in accordance with Treasury Board policies, which are consistent with Canadian generally accepted accounting principles for the public sector, and year-end instructions issued by the Office of the Comptroller General requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. Actual results could differ significantly from these estimates. The most significant items where estimates are used are in determining the expected useful life of capital assets and in determining employee severance benefits. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. Parliamentary Appropriations

a) Reconciliation of net cost of operations to current year appropriations used

	2006	2005
Net cost of operations	$20,956,645	$21,362,717
Less: Items affecting net cost of operations but not affecting appropriations		
Amortization of tangible capital assets	(460,768)	(655,695)
Services provided without charge by other government departments	(2,647,000)	(2,672,226)
Change in vacation pay	(119,229)	(6,018)
Change in employee severance benefit	(161,454)	(64,772)
Other adjustments	8,322	13,230
	17,576,516	17,977,236
Plus: Items not affecting net cost of operations but affecting appropriations		
Prepaid expenses	9,648	27,309
Tangible capital asset acquisitions	216,224	298,926
Current year appropriations used	$17,802,388	$18,303,471

b) Appropriations provided and used

	2006	2005
Total Operating Vote	$16,529,000	$17,104,380
Statutory Vote	1,975,830	1,902,884
Spending on Crown Assets	1,175	2,817
Less:		
Lapsed appropriations	(703,330)	(705,722)
Available for use in subsequent years	(287)	(888)
Current year appropriation used	$17,802,388	$18,303,471

c) Reconciliation of net cash provided by Government to current year appropriations used

	2006	2005
Net cash provided by Government	$17,937,220	$18,711,833
Refund of prior year expenditure	28,499	-----
Revenue not respendable by Office	287	-----
Change in accounts receivable and cash	277,595	(44,628)
Change accounts payable and accrued liabilities	(448,057)	(376,964)
Other adjustments	6,844	13,230
Current year appropriations used	$17,802,388	$18,303,471

4. Tangible Capital Assets

Cost	March 31, 2005	Additions	March 31, 2006
Machinery and equipment	$190,063	$85,017	$275,080
Informatics hardware	1,448,903	68,105	1,517,008
Furniture	635,204	2,662	637,866
Informatics software	391,432	33,119	424,551
Motor vehicle	23,697	-----	23,697
Leasehold improvements	892,036	27,321	919,357
	$3,581,335	$216,224	$3,797,559

Accumulated amortization	March 31, 2005	Amortization	March 31, 2006
Machinery and equipment	$76,385	$87,821	$164,206
Informatics hardware	919,301	155,729	1,075,030
Furniture	347,781	63,061	410,842
Informatics software	336,819	57,505	394,324
Motor vehicle	19,183	3,385	22,568
Leasehold improvements	174,771	93,267	268,038
	$1,874,240	$460,768	$2,335,008
Net Book Value	$1,707,095		$1,462,551

5. Employee Future Benefits

a) Accrued employee severance benefits

The Office provides severance benefits to its employees based on years of service and final salaries. This benefit plan is not funded. Benefits will be paid from future appropriations. Information about the severance benefits is as follows:

	2006	2005
Accrued benefit obligation, beginning of the year	$2,177,871	$2,113,099
Expense for the year	400,167	196,604
Benefits paid during the year	(238,713)	(131,832)
Accrued benefit obligation, end of the year	$2,339,325	$2,177,871

b) Pension benefits

The Office's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plans benefits and they are indexed to inflation.

Both the employees and the Office contribute to the cost of the Plan. The 2005-06 expense amounts to $1,462,113 ($1,394,814 in 2004-05), which represents approximately 2.6 times the contributions by employees.

The Office's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

c) Others benefits

The employees of the Office are also covered by workers' compensation benefits across Canada. This plan is managed by the Department of Human Resources and Social Development (HRSD). As plan manager, HRSD has authority to charge to the Office its share of the annual workers' compensation benefit payments incurred under the plan. These amounts are expensed by the Office and charged to appropriations when the Office becomes liable to HRSD in the year the amounts are billed.

In April 2002, the death of an employee has resulted in workers' compensation death benefits totalling approximately $653,000 being payable under the plan over the next 13 years. The Office's current year expense in relation to this claim amounts to $38,000 ($38,000 in 2005). It is expected that benefits totalling approximately $428,000 will be paid over the next 11 years by the Plan and that these amounts will be recovered by HRSD from the Office in accordance with Treasury Board Policy. These amounts will be both expensed and charged to appropriations by the Office in the year they are billed by HRSD.

6. Related Party Transactions

The Office is related in terms of common ownership to all Government of Canada departments, agencies and Crown corporations. The Office enters into transactions with these entities in the normal course of business.

During the year, the Office expensed $5,155,235 ($5,919,738 in 2005) from transactions in the normal course of business with other Government departments, agencies and Crown corporations. These expenses include services provided without charge of $2,647,000 ($2,672,226 in 2005) as described in Note 7.

7. Services Provided Without Charge by Other Government Departments ($000)

During the year, the Office received services that were obtained without charge from other government departments and agencies. These are recorded at their estimated costs in the financial statements as follows:

	2006	2005
Public Works and Government Services Canada - accommodation	$ 1,700	$ 1,676
Treasury Board Secretariat - employer's share of insurance premiums	856	880
Office of the Auditor General of Canada - audit services	85	110
Public Works and Government Services Canada - payroll services	6	6
Total	$ 2,647	$ 2,672

8. Contingent Liabilities

In the normal course of its operations, the Office may become involved in various legal actions. Some of these legal actions may result in actual liabilities when one or more future events occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, a liability is accrued and an expense recorded in the financial statements. No contingent liabilities relating to the Office of the Commissioner of Official Languages are recognized in the Office's financial statements for the fiscal year ended March 31, 2006.

9. Contractual Obligations

The Office has commitments arising in the normal course of operations for future years. These obligations include occupancy leases and equipment rental, as well as the obligation for worker's compensation death benefits disclosed in Note 5 (c). Minimum annual payments under these agreements are as follows:

Fiscal year	($000)
2006-2007	154
2007-2008	129
2008-2009	80
2009-2010	61
2010-2011	61
2011-2017	234
Total	719

10. Comparative Figures

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

SECTION IV – OTHER ITEMS OF INTEREST

Studies and Reports

Making it Real: Promoting Respectful Co-existence of the Two Official Languages at Work (April 2005)

Annual Report 2004-2005
(May 2005)

Audit of the Management of the Official Languages Program at Public Works and Government Services Canada
(September 2005)

Bridging the Digital Divide: Official Languages on the Internet
(September 2005)

Audit of Services to the Public at Highway Border Crossings of the Canada Border Services Agency
(November 2005)

Audit of the Language of Work at National Defence Headquarters
(February 2006)

For Rent: In Search of Bilingual Services from Businesses in NCR Federal Buildings - Follow-up
(February 2006)

Many of the Office of the Commissioner of Official Languages publications are available in HTML or PDF format on its Web site, at the following address: http://www.ocol-clo.gc.ca/publications.asp

News Releases

New language rights publication: New developments, but too many must still resort to the courts
(Ottawa, April 5, 2005)

Promoting the Use of Both Official Languages at Work: A Road Map for Managers
(Ottawa, April 12, 2005)

New Representative of the Commissioner of Official Languages in Manitoba and Saskatchewan
(Ottawa, April 20, 2005)

Annual Report 2004–2005 of the Commissioner of Official Languages
(Ottawa, May 31, 2005)

Bridging the Digital Divide: Official Languages on the Internet
(Ottawa, September 13, 2005)

Adoption of Bill S-3: A Historic Day for Official Language Communities
(Ottawa, November 23, 2005)

Bilingualism in Businesses in NCR Federal Buildings: NCC on solid ground, Public Works slips
(Ottawa, February 28, 2006)

Many of the Office of the Commissioner of Official Languages news releases and speeches are available in HTML or PDF format on its Web site, at the following address: http://www.ocol-clo.gc.ca/news_nouvelles.asp

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